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I1. The following is Embassy Phnom Penh's submission for the narcotics section of the 2007 International Narcotics Control Strategy Report as requested reftel.

I2. Begin text:

Cambodia

II. Summary

The number of drug-related investigations, arrests and seizures in Cambodia continued to increase in 2006. This reflects a significant escalation in drug activity and perhaps some increase in law enforcement capacity. The government is concerned at the increasing use of amphetamine-type stimulants (ATS) such as methamphetamines and ecstasy (MDMA) among all socio-economic levels. The government's principal counternarcotics policymaking and law enforcement bodies, the National Authority for Combating Drugs (NACD) and the Anti-Drug Department of the National Police, respectively, cooperate closely with DEA, regional counterparts, and the United Nations Office on Drugs and Crime (UNODC). Cambodia is a party to the 1961, 1971, and 1988 UN Drug Conventions.

II. Status of Country

Cambodia has experienced a significant increase in recent years in the amount of ATS transiting from the Golden Triangle. The World Health Organization (WHO) estimates that as many as 150,000 methamphetamine tablets enter Cambodia each day. Many of these are consumed domestically (as many as 50,000 per day in Phnom Penh alone), though some are also thought to be re-exported to Thailand and Vietnam. In addition, Cambodian drug control authorities and foreign experts have reported the existence of ATS laboratories in northwestern and southeastern Cambodia. There have also been reports of mobile groups harvesting yellow vine and cinnamomum trees in Cambodia's Cardamom mountains and extracting chemicals which can be used as precursors for ATS production.

Cocaine use by wealthy Cambodians and foreigners in Cambodia is a relatively small, but worrisome new phenomenon. Most cocaine consumed in Southeast Asia originates in South America, particularly Peru and Colombia, and transits via internal body couriers on commercial air flights to regional narcotics distribution hubs in Bangkok, Hong Kong, Beijing, and Guangzhou. Historically, a small portion of the cocaine arriving in Bangkok has been sent on to Cambodia for local use. Recently, there have been reports that Cambodia has taken on a small but increasing role as a new trafficking route, with cocaine coming by air from Kuala Lumpur or Singapore, transiting via Phnom Penh, and arriving in Bangkok.

Cambodia is not a producer of opiates; however, it serves as a transit route for heroin from Burma and Laos to international drug

markets such as Vietnam, mainland China, Taiwan, Hong Kong, and Australia. Heroin and methamphetamine enter Cambodia primarily through the northern provinces of Stung Treng and Preah Vihear, an area bordering Laos and Thailand. Larger shipments of heroin, methamphetamine and marijuana exit Cambodia concealed in shipping containers, speedboats and ocean-going vessels. Smaller quantities are also smuggled through Phnom Penh International Airport concealed in small briefcases, shoes, and on the bodies of individual travelers. Cannabis cultivation continues despite a government campaign to eradicate it. There have been reports of continued military and/or police involvement in large-scale cultivations in remote areas. However, only small amounts of Cambodian cannabis reach the United States.

III. Country Actions Against Drugs in 2006

Policy Initiatives. Cambodian law enforcement agencies suffer from limited resources, lack of training, and poor coordination. The NACD, which was reorganized in 1999 and again in June 2006, has the potential to become an effective policy and coordination unit. With the backing of the Cambodian government, the UNODC launched in April 2001 a four-year project entitled "Strengthening the Secretariat of the National Authority for Combating Drugs (NACD) and the National Drug Control Program for Cambodia". This project seeks, *inter alia*, to establish the NACD as a functional government body able to undertake drug control planning, coordination, and operations. The project is currently slated to expire at the end of 2006 to be replaced by a similar, but less ambitious, capacity building project of one year duration in 2007.

Accomplishments. The NACD is implementing Cambodia's first 5-year national plan on narcotics control (2005-2010), which focuses on demand reduction, supply reduction, drug law enforcement, and expansion of international cooperation. In 2006, the NACD trained

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205 police officers, gendarmes, customs officials, seaport officials, and border liaison officials in drug identification and law enforcement. This training complements donor-provided training to increase local law enforcement capacity to test seized substances for use as evidence in criminal trials. In February 2005, the National Assembly ratified the 1961, 1971 and 1988 UN Drug Conventions. In 2005, the Cambodian government took decisive action to strengthen previously weak legal penalties for drug-related offenses. The new law drafted with help from the Anti-Drug Department of the National Police provides for a maximum penalty of \$1 million fine and life imprisonment for drug traffickers, and would allow proceeds from the sale of seized assets to be used towards law enforcement and drug awareness and prevention efforts. However, some observers worry that the law is too complex for the relatively weak Cambodian judiciary to use effectively.

Law Enforcement Efforts. According to NACD reports, 439 people (mostly Cambodians) were arrested for various drug-related offenses in the first nine months of 2006. Total seizures of heroin for January to September 2006 were 13.4 kilograms. Police arrested 18 people in heroin-related cases in January to September 2006, including six Taiwanese individuals with more than 10 kilograms of heroin hidden in their bodies and bags at Phnom Penh International Airport. The number of arrests and amount of heroin seized during the first nine months of 2006 exceed the total number of arrests and quantity seized during all of 2005. While methamphetamine trafficking is believed to be on the rise, the number of methamphetamine pills confiscated in 2005 and the first nine months of 2006 remain far below 2004 levels. Police arrested 465 people in methamphetamine-related cases in January to September 2006 and seized 322,761 methamphetamine pills and 3,722 grams of methamphetamine and 485 small dose packets.

Corruption. The Cambodian government does not, as a matter of government policy, encourage or facilitate illicit production or distribution of drugs or controlled substances or launder proceeds from their transactions. Nonetheless, corruption remains pervasive in Cambodia, making Cambodia highly vulnerable to penetration by drug traffickers and foreign crime syndicates. Senior Cambodian government officials assert that they want to combat trafficking and

production; however, corruption, abysmally low salaries for civil servants, and an acute shortage of trained personnel severely limit sustained advances in effective law enforcement. The judicial system is weak, and there have been numerous cases of defendants in important criminal cases having charges against them dropped after paying relatively small fines.

In July 2006, Heng Pov, the former chief of the Anti-Drug Police, filed Cambodia and alleged that high-ranking government officials and well-connected businessmen were involved in drug trafficking, but were not prosecuted due to government pressure. It is difficult to assess the credibility of these claims. At the Consultative Group (CG) meeting in December 2004, a group of donor countries jointly proposed a new benchmark for Cambodian government reform: forwarding an anti-corruption law which meets international best practices to the National Assembly. The government agreed to meet this benchmark by the next CG meeting, which was held in March 2006. Unfortunately, the government failed to meet this deadline and, as of October 2006, has still not completed the law. An informal donor working group, including the US, has worked closely with the government to produce a draft that meets international best practices. In addition, at each quarterly meeting of the Government-Donor Coordinating Committee, the international community has highlighted the government's still un-met commitment and outlined the international best practices to be included. Cambodia is not a party to the UN Convention Against Corruption.

Agreements and Treaties. Cambodia is a party to the 1988 UN Drug Convention, the 1971 UN Convention on Psychotropic Substances, and the 1961 UN Single Convention. Cambodia is a party to the UN Convention Against Transnational Organized Crime and its protocols against migrant smuggling and illegal manufacturing and trafficking in firearms.

Cultivation/Production. During the first nine months of 2006, 144 square meters of cannabis plantations were destroyed and eight people were arrested.

Drug Flow/Transit. Cambodia shares porous borders with Thailand, Laos, and Vietnam and lies near the major trafficking routes for Southeast Asian heroin. Drugs enter Cambodia by both primary and secondary roads and rivers across the northern border. Many narcotics transit through Cambodia via road or river networks and enter Thailand and Vietnam. Enforcement of the border region with Laos on the Mekong River, which is permeated with islands and mangroves, is nearly impossible due to lack of boats and fuel among law enforcement forces. At the same time, recent improvement in National Road 7 and other roads is increasing the ease with which

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traffickers can use Cambodia's rapidly developing road network--a trend likely to continue as further road and bridge projects are implemented.

Large quantities of heroin and cannabis, and small amounts of ATS, are believed to exit Cambodia via locations along the Gulf--including the deep water port of Sihanoukville--as well as the river port of Phnom Penh.

Airports in Phnom Penh and Siem Reap suffer from lax customs and immigration controls. Some illegal narcotics transit these airports en route to foreign destinations. In May 2006, police and customs officials arrested three Taiwanese nationals, two of whom were carrying a total of more than 7 kg of heroin which they intended to smuggle to Taiwan on commercial flights. In September 2006, the Anti-Drug Police arrested four South Americans who had swallowed a total of more than 4 kg of cocaine and smuggled it into Cambodia on commercial flights.

Domestic Programs (Demand Reduction). A nine-month report of the NACD, from January to September 2006, states the total number of drug users and addicts was 6,500, a figure provided by the Royal Government of Cambodia's (RGC) Anti-Drug Department. NGOs and other specialists working on this issue argue that the number of drug users in Cambodia is probably far higher and is growing each year. A study conducted by UNAIDS in 2005 estimated that at the end of

2004, there were 20,000 amphetamine users, 2,500 heroin users, and 1,750 intravenous drug users in Cambodia.

With the assistance of the UNODC, UNICEF, WHO, CDC, the Japanese International Cooperation Agency (JICA) and NGOs, the NACD is attempting to boost awareness about drug abuse among Cambodians--especially Cambodian youth--through the use of pamphlets, posters, and public service announcements. A UNODC treatment and rehabilitation project, funded by the Japanese and started in October 2006, provides services to addicts and works to increase the capacity of health and human services to deal effectively with drug treatment issues. This project will work at four sites in three provinces, most likely in Phnom Penh, Battambang, and Banteay Meanchey. Several local NGOs, including Mith Samlanh, Punloeu Komar Kampuchea, Cambodian Children and Handicap Development (CCHDO), Goutte d' Eau, Cambodian Children Against Starvation Association (CCASVA) and Street Children Assistance for Development Program (SCADP), have taken active roles in helping to rehabilitate drug victims across the country.

IV. U.S. Policy Initiatives and Programs

Policy Initiatives. For the first time in over three decades, there is relative political stability in Cambodia. However, Cambodia is plagued by many of the institutional weaknesses common to the world's most vulnerable developing countries. The challenges for Cambodia include: nurturing the growth of democratic institutions and the protection of human rights; providing humanitarian assistance and promoting sound economic growth policies to alleviate the debilitating poverty that engenders corruption; and building human and institutional capacity in law enforcement sectors to enable the government to deal more effectively with narcotics traffickers. One unique challenge which Cambodia faces is the loss of many of its best trained professionals in the Khmer Rouge period (1975-1979), as well as during the subsequent Vietnamese occupation. Performance in the area of law enforcement and administration of justice must be viewed in the context of Cambodia's profound underdevelopment. Even with the active support of the international community, there will be continuing gaps in performance for the foreseeable future.

Bilateral Cooperation. US restrictions on assistance to the central government of Cambodia, in place from the political disturbances of 1997 until the present reporting period, hampered US-Cambodia bilateral counternarcotics cooperation. Cambodia regularly hosts visits from Bangkok-based DEA personnel, and Cambodian authorities cooperate actively with DEA, including in the areas of joint operations and operational intelligence sharing. In January and March 2006, immigration, customs, and police officials attended Basic Counternarcotics and Airport Interdiction courses funded by the State Department and taught by DEA Special Agents.

DOD conducted Joint Interagency Task Force-West (JIATF-West) training missions in Battambang in November 2005, Koh Kong in February 2006, and in Stung Treng province in June 2006. The three-week programs increased the ability of Cambodian police, military, and immigration officials to interdict transnational threats, including narcotics. In 2006, JIATF-West and DEA partnered to incorporate DEA trainers into the JIATF-West training missions, bringing together military interdiction and law enforcement skills into a coherent package.

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Through a USAID cooperative agreement, Khmer HIV/AIDS NGO Alliance (KHANA) is supporting more than 80 local organizations engaged in HIV/AIDS prevention throughout the country. In 2006, some of these organizations included drug-related HIV/AIDS transmission issues in their programs. Outreach efforts targeted at intravenous drug users will continue, as such drug use is the quickest and most efficient means of HIV transmission.

The Road Ahead. Cambodia is making progress toward more effective institutional law enforcement against illegal narcotics trafficking; however, its capacity to implement an effective, systematic approach to counternarcotics operations remains low. Instruction for

mid-level Cambodia law enforcement officers at the International Law Enforcement Academy in Bangkok (ILEA) and for military, police, and immigration officers by JIATF-West has partially addressed Cambodia's dire training needs. However, after training, these officers return to an environment of scarce resources and pervasive corruption. As part of the JIATF-West program, Cambodian officials can be trained in land and maritime navigation and boat maintenance, but equipment to perform these tasks is often shoddy or completely lacking.

US-Cambodia bilateral counternarcotics cooperation should improve in FY07 as a result of the lifting of sanctions on military assistance to Cambodia. The RGC is establishing a foreign military sales case for \$670,000 of excess defense articles. The acquisition of basic soldier and unit equipment (such as uniforms, boots, first aid pouches, compasses, cots, and tents) for the Army border battalions will facilitate an increased ability to conduct patrols along the borders.

The JIATF-West training events in FY07 will consist of two events in Stung Treng province and one event in the Battambang/Banteay Meanchey area, and will again include DEA trainers in addition to military personnel. JIATF-West has also embarked on a training infrastructure renovation project, which will renovate several law enforcement and military facilities in Sisophon town and the provinces of Preah Vihear and Stung Treng. Renovation will serve both to facilitate future JIATF-West training and also to build the capacity of Cambodian law enforcement and military authorities.

In addition, the US-based drug treatment organization Daytop International will conduct three training sessions for Cambodian government, non-government, and private sector drug prevention and treatment professionals. These training sessions, which will be funded by the State Department and will last approximately two weeks each, are scheduled to start in December 2006. USAID is collaborating with WHO and NGO partners to collect data on numbers and behaviors of intravenous drug users and is supporting intravenous drug use and HIV outreach services in Phnom Penh and Siem Reap as a first step in addressing the growing problem of illicit drug use.

End Text
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